



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

Michael O. Leavitt
Governor

David T. Terry
Director

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Salt Lake City, Utah 84102-2818
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801-355-0922 (Fax)



5/015/076

June 24, 1998

Fremont Corporation
1145 North 1100 West
St. George, Utah 84770

Re: Metalliferous Minerals Lease ML-43260
DOGM # S/015/076

Attn: William E. Sellier, Project Manager

Dear Mr. Sellier:

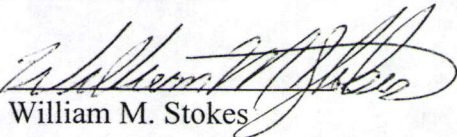
The School and Institutional Trust Lands Administration ("Trust Lands Administration") is in receipt of a copy of your letter, dated June 16, 1998, to Rockland/Miracle Rock, concerning the proposed small mining operation on lands encompassed under the above referenced lease. On June 15, 1998, the Trust Lands Administration also received a letter of similar content from Mr. Michael Keller of the law office of Van Cott, Bagley Cornwall & McCarthy. As indicated in both letters, the Fremont Corporation ("Fremont") intends to mine a mudstone unit of the Ferron Sandstone for the trace metalliferous minerals found therein. As you know the Rockland Corporation, in conjunction with Miracle Rock Mining and Research ("Miracle Rock"), is currently mining humic shale from the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of section 2, T. 23 S., R. 6 E. SLB&M, the same lands in which Fremont Corporation has proposed to mine trace minerals from mudstone.

Pursuant to the Multiple Minerals Development Area ("MMDA") designation, the Trust Lands Administration requires the mineral lessee within the MMDA to enter into a cooperative agreement which will provide for simultaneous development of the mineral resources. The Trust Lands Administration supports the willingness of Fremont and Miracle Rock/Rockland to enter into such an agreement. Any cooperative agreement between the parties will require final approval by the School and Institutional Trust Lands Administration.

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Accordingly, the Trust Lands Administration will suspend further processing of your Notice of Intent to Commence Mining pending the receipt of a cooperative agreement which is approved by the Trust Lands Administration.

Sincerely,

A handwritten signature in dark ink, appearing to read "William M. Stokes", is written over a horizontal line.

William M. Stokes
Minerals Resource Specialist

cc: Michael Keller, Van Cott
Tony Gallegos, DOGM